



4004

ANNUAL REPORT

OF

Name: BAYLAND TELEPHONE, INC.

Principal Office: 2710 HWYS 41 & 141
P.O. BOX 200
ABRAMS, WI 54101-0200

For the Year Ended: DECEMBER 31, 2000

TELECOMMUNICATIONS UTILITY
TO
PUBLIC SERVICE COMMISSION OF WISCONSIN

P.O. Box 7854
Madison, WI 53707-7854
(608) 267-9504

This form is required under Wis. Stat. § 196.07. Failure to file the form by the statutory filing date can result in the imposition of a penalty under Wis. Stat. § 196.66. The penalty which can be imposed by this section of the statutes is a forfeiture of not less than \$25 nor more than \$5,000 for each violation. Each day subsequent to the filing date constitutes a separate and distinct violation. The filed form is available to the public and personally identifiable information may be used for purposes other than those related to public utility regulation.

GENERAL RULES FOR REPORTING

1. Unless otherwise indicated, the information requested in this report should be taken from the accounts and other records in conformity with the Uniform System of Accounts prescribed by the Public Service Commission of Wisconsin in docket 05-US-102. The definitions and instructions contained therein should also apply to the report wherever applicable. A query or response concerning information contained in this report regarding any practice or transaction should not be construed as indicating conformity to accounting or other pertinent regulations.
2. Please follow all instructions and answer each question fully and accurately. Provide additional information as necessary to avoid misunderstandings or misleading responses. Abbreviations listed on page 6 may be used. However, please show the exact name of the respondent in full on the Identification and Ownership page.
3. Wherever information is requested in a "note", please show that information in the space provided, or make reference to the adjacent page or insert where the note may be found. Please also identify each note. Footnote capability is included in the annual report software program. Please use it where necessary to fully explain particulars in the annual report.
4. Numeric items are limited to digits (0-9). A minus sign "-" should be entered in the software program to indicate negative values. Do not use parentheses for numeric values. The program will convert the minus sign to parentheses when a hard copy of the annual report is printed. Negative values may not be allowed for certain entries in the annual report due to restrictions contained in the software program.
5. Please report all dollar amounts to the nearest whole dollar.
6. This annual report should be complete in all respects. Unless otherwise authorized, avoid references to returns of former years or to other reports.
7. Wherever schedules call for data from the previous year and such data were reported in the previous annual report, that previous year's data should be reported without modification. If modified, an appropriate footnote indicator and explanation should be included in the current year's annual report.
8. Where part or all of the report is prepared by other than utility personnel, a disclosure is required in the "Individual or firm, if other than utility employee, preparing this report" portion of the Identification and Ownership schedule, which describes the nature and extent of work performed.
9. Please print a hard copy of the annual report on 20 pound or heavier paper, sign it and compare with the electronic copy before officially filing it with the Public Service Commission of Wisconsin.

TABLE OF CONTENTS

Schedule Name	Page
Cover Page	1
General Rules for Reporting	2
Signature Page	3
Table of Contents	4
Annual Telecommunications Report Glossary of Terms	5
Abbreviations Used in Annual Reports	6
Identification and Ownership	7
Income Statement - Total Company	8
Notes to Income Statement or Balance Sheet	9
Balance Sheet - Assets (Class B Use Accounts Designated By *)	10
Balance Sheet - Liabilities (Class B Use Accounts Designated By *)	11
Important Changes During the Year	13
Affiliate Abbreviations	14
Affiliated Interest Transactions	15
Affiliated Assets and Liabilities	16
Telecommunications Plant in Service Class A & B	22
Telecommunications Plant in Service Class A & B (Sub-Class Accounts)	24
Accumulated Depreciation Class A & B	26
Accumulated Depreciation Class A & B (Sub-Class Accounts)	28
Net Deferred Operating Income Taxes (Acct. 1350, 1410, 1437, 4100, 4340, 4341 & 4361)	30
Retained Earnings (Acct. 4550)	37
Revenues - Class A & B (Class B Use Accounts Designated By *)	40
Expenses - Class A & B	41
Calculation of Assessable Revenues for Remainder and Telephone Relay Assessment Purposes	43
Calculation of Assessable Revenues for Universal Service Fund Assessment Purposes	43
Other Income Accounts	44
Nonregulated Activities	45
Distribution of Salaries and Wages	46
Telephone Calls and Minutes of Use Per Month	47
Access Usage	48
Outside Plant Statistics at End of Year	49
Special Access Circuits in Use at End of Year	49
Service Data	50
Service Data - End of Year	52
Equipment Abbreviations	54
Manufacturer Abbreviations	54
Central Office Data - End of Year	55
General, Schedule Level and Schedule Line Footnotes	56

ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

Access Line	Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency transmission, and/or time slot transmission. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice channel or a 64 kilobits per second digital channel.
Analog Signal	A signal that varies in a continuous manner such as voice or music. An analog signal must be contrasted with a digital signal which can assume only discrete values.
Cellular System	A high capacity land mobile radio system in which an assigned frequency spectrum is divided into discrete channels that are assigned to a cellular geographic serving area.
Central Office	A switching unit in a telephone system providing service to the general public, having the necessary equipment and operating arrangements for terminating and interconnecting lines and trunks.
Centrex	A service for customers with many stations that permits station-to-station dialing, one listed directory number for the customer, direct inward dialing to a particular station and station identification on outgoing calls. The switching functions are performed in a central office (stand alone, host or remote).
Channel	An electrical communications path between two or more points. A single pair of wires may provide more than one channel. A channel may also be provided by microwave.
Customer	A person who uses a telephone as a subscriber.
Digital Signal	A signal that has a limited number of discrete states. This may be contrasted with an analog signal that varies in a continuous manner and may have an infinite number of states.
Equal Access	The ability of the subscriber to use any long distance service by dialing the same number of digits.
Exchange	A defined area served by one or more central offices regardless of technical serving arrangements within which the company furnishes service at rates and rules prescribed for that area in the company's filed tariffs. The area is not necessarily marked by political boundaries or the location of host or remote switching units.
Extended Area Service (EAS)	The ability of a customer to call customers in other exchanges at no additional charge or at an additional charge per tariff.
Extended Community Calling (ECC)	The ability of a customer to call customers in other exchanges at rates usually above EAS rates but below toll rates for comparable distances. Rates generally include a duration element.
Feature Group A	Line-side originating and terminating LATA access for which an originating subscriber dials an assigned telephone number that connects to a specific interexchange carrier (IC). The IC returns a tone to signal the caller to input additional generated digits of the called number.

ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

Feature Group B	Trunk-side originating and terminating LATA access for which an originating subscriber dials a 950-WXXX number (where W=0, 1 and XXX is the carrier access code (CAC)), which is translated to a specific XXX carrier trunk group. Optional rotary dial service and ANI may be available.
Feature Group C	Trunk-side LATA access for AT&T-Communications generally on a direct basis between each end office (EO) and an AT&T-C switching system.
Feature Group D	Also referred to as equal access. It is trunk-side LATA access affording call supervision of an interexchange carrier, a uniform access code (10XXXXX), optional calling party identification, recording of access-charge billing details and presubscription to a customer specified interexchange carrier.
FX-IN	A nonswitched service where the customer of the company is connected to and receives switching service through central office equipment located in another exchange area.
FX-OUT	A switched service where facilities are provided from the central office out to the exchange boundary where it meets the line from a foreign exchange subscriber.
Host Switching System	A switching system that provides centralized control over most of the switching functions of one or more remote switching units. The host switching system usually provides trunk access to the operating company intraLATA networks.
Local Access Transport Area (LATA)	A geographic area within which an operating company may offer its telecommunications services.
Mobile Telephone	A service which provides radio telephone communication from a mobile vehicle to another vehicle or to a regular telephone.
Paging	A service which provides one-way signal or voice communication over a radio channel to a miniature receiver carried by the customer.
Pair	Two wires of a single circuit.
Pay Station	A telephone which normally requires all users to deposit one or more coins or use a credit card to complete a call.
Private Line Service	Channel or circuit rented for private use and not intended to be connected to the general distribution system.
Private Branch Exchange (PBX)	A manually, or operator controlled switching system, usually on the customer's premises, which serves that customer's telephones over a common group of lines from the central office.
Radio Common Carrier (RCC)	A company which furnishes public telecommunications service using one or more radio channels.
Remote Switching Unit (RSU)	An electronic switching system that is remote from its host or control office. All of the central control equipment for the RSU is located in the host switching system.

ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

Route Miles	<p>Total number of route miles (to the nearest mile) of operating plant facilities including drop wire in the exchange. One route mile may consist of:</p> <ol style="list-style-type: none">1. One mile of roadway with any combination of outside plant facilities on any number of rights-of-way.2. One mile of a cross country route with any combination of outside plant facilities.3. One mile of point-to-point microwave or radio link.4. One mile of plant on either side of a limited access highway or natural barrier, such as a navigable waterway.5. One mile of joint use line where the utility either owns the facility or leases space.
Stand Alone Switch	<p>A central office switch which has no remote switching units (RSUs) subtending it.</p>
Trunk	<p>A communications path connecting two switching systems in the establishment of an end-to-end connection.</p>
Wide Area Telephone Service (WATS)	<p>Customer leased access line or lines connected to the nationwide network over which an unlimited number of calls can be made for a fixed monthly charge.</p>
Wire Center	<p>The location of one or more local switching systems. A point at which customers' loops converge.</p>

ABBREVIATIONS USED IN ANNUAL REPORTS

Acct	.....	Account
Accum	.....	Accumulated
Acq	.....	Acquisition
Admin	.....	Administrative
Alloc	.....	Allocation
Amort	.....	Amortization
CO	.....	Central Office
Depr	.....	Depreciation
Equip	.....	Equipment
Exp	.....	Expenses
EOY	.....	End of Year
FOY	.....	First of Year
Info	.....	Information
ITC	.....	Investment Tax Credit
Misc	.....	Miscellaneous
Nonoper	.....	Nonoperating
Nonreg	.....	Nonregulated
Oper	.....	Operating
Opns	.....	Operations
Orig	.....	Originating
Prop	.....	Property
Receiv	.....	Receivable
Reg	.....	Regulated
Rev	.....	Revenues
Svcs	.....	Services
Telecom	.....	Telecommunications
Term	.....	Terminating
TPIS	.....	Telecommunications Plant in Service
TPUC	.....	Telecommunications Plant Under Construction
Uncoll	.....	Uncollectible

IDENTIFICATION AND OWNERSHIP

Exact Utility Name: BAYLAND TELEPHONE, INC.
Utility Location: 2710 HWYS 41 & 141
P.O. BOX 200
ABRAMS, WI 54101-0200

Utility Web Site Address: www.bayland.net

When was utility organized?: 01/01/1907

Report any change in name and the effective date:

Officer in charge of correspondence concerning this report

Name: MR ROGER L. HERMSEN
Title: PRESIDENT AND GENERAL MANAGER

Office Address: 2710 U.S. HWY. 41 & 141
ABRAMS, WI 54101

Fax Number: (920) 826 - 5911
Telephone Number: (920) 826 - 5215
Email Address: rlherm@bayland.net

Individual or firm, if other than utility employee, preparing this report

Name: MR. DENNIS E. HILDEBRANDT
Title: CERTIFIED PUBLIC ACCOUNTANT
Firm: SIEPERT & CO. LLP
Office Address: 1920 WEST HART ROAD
BELOIT, WI 53511

G

Fax Number: (608) 364 - 8727
Telephone Number: (608) 365 - 2266
Email Address: dhildebrandt@charter.net

Person responsible for financial information contained in report

Name: MR. ROGER L. HERMSEN
Title: PRESIDENT AND GENERAL MANAGER

Office Address: 2710 U.S. HWY. 41 & 141
ABRAMS, WI 54101

Fax Number: (920) 826 - 5911
Telephone Number: (920) 826 - 5215
Email Address: rlherm@bayland.net

Person responsible for statistical information contained in report

Name: MR ROGER L. HERMSEN
Title: PRESIDENT AND GENERAL MANAGER

Office Address: 2710 U.S. HWYS. 41 & 141
P.O. BOX 200
ABRAMS, WI 54101

Fax Number: (920) 826 - 5911
Telephone Number: (920) 826 - 5215
Email Address: rlherm@bayland.net

IDENTIFICATION AND OWNERSHIP

List names, addresses, and number of shares held by persons owning 5 percent or more of outstanding voting securities. If any stock is held by a nominee, give known particulars as to the beneficial owner (See Wis. Stat. § 196.795(1)(c), for definition of beneficial owner).

Name: CHRISTINE C. FRENCH
Address: 3517 BARKWOOD LANE
MANITOWOC, WI 54220

Number of Shares Held: 652
Beneficial Owner: NONE

Name: DONALD & RUTH LE BRECK
Address: 1122 BIEMERET STREET
GREEN BAY, WI 54304-3314

Number of Shares Held: 468
Beneficial Owner: NONE

Name: HELEN L. HERMSEN
Address: 1027 BIEMERET STREET
GREEN BAY, WI 54304-3473

Number of Shares Held: 468
Beneficial Owner: NONE

Name: J. ROGER HERSMEN
Address: 921C E. WINDFIELD PLACE
APPLETON, WI 54911

Number of Shares Held: 195
Beneficial Owner: NONE

Name: JEAN J. HERMSEN
Address: 2832B MADISON STREET
WAUKESHA, WI 53188-4507

Number of Shares Held: 408
Beneficial Owner: NONE

Name: PATRICK & MARY ANDERSON
Address: 3502 E. BOTTSFORD AVE.
CUDAHY, WI 53110-1134

Number of Shares Held: 450
Beneficial Owner: NONE

IDENTIFICATION AND OWNERSHIP

List names, addresses, and number of shares held by persons owning 5 percent or more of outstanding voting securities. If any stock is held by a nominee, give known particulars as to the beneficial owner (See Wis. Stat. § 196.795(1)(c), for definition of beneficial owner).

Name: PAUL G. HERMSEN
Address: 622 SARATOGA DRIVE
GREEN BAY, WI 54303-4438

Number of Shares Held: 652
Beneficial Owner: NONE

Name: ROGER L. HERMSEN
Address: 3025 BIG TIMBER CIRCLE
GREEN BAY, WI 54313

Number of Shares Held: 652
Beneficial Owner: NONE

List companies owned, controlled, or operated and form and extent of such ownership, control or operation.

Company Name: BAYLAND COMMUNICATIONS, INC.
Form of Interest: EQUITY
Extent Of Interest: 100% OWNERSHIP

Company Name: BAYNET, INC.
Form of Interest: EQUITY
Extent Of Interest: 100% OWNERSHIP

INCOME STATEMENT - TOTAL COMPANY

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues (5000-5300)	1,625,690	1,514,191	1
Operating Expenses			
Plant Specific Operations Expense (6110-6410)	278,621	218,688	2
Plant Nonspecific Operations Expense	521,914	482,085	3
Customer Operations Expense (6610-6620)	317,608	303,325	4
Corporate Operations Expense (6710-6790)	219,116	249,077	5
Other Operating Income and Expense (7100)	0	0	6
Operating Taxes (7200)	82,044	91,646	7
Total Operating Expenses	1,419,303	1,344,821	8
Net Operating Income	206,387	169,370	9
Other Income			
Nonoperating Income and Expense (7300)	568,129	495,999	10
Nonoperating Taxes (7400)	109,023	170,090	11
Interest and Related Items (7500)	163,043	157,597	12
Extraordinary Items (7600)	0	0	13
Nonregulated Net Income (7990)	30,622	56,883	14
Total Nonoperating Income	326,685	225,195	15
Net Income	533,072	394,565	16

NOTES TO INCOME STATEMENT OR BALANCE SHEET

In the space provided below, disclose all material information not included elsewhere in this report that is necessary to make the financial statements clear and understandable. Included should be:

-
1. A summary of significant accounting policies. (The summaries should disclose, but not be limited to, the utility's accounting policies with regard to pension cost, unbilled revenues, depreciation, and income taxes.)

1. SIGNIFICANT ACCOUNTING POLICIES:

A. TELEPHONE PLANT IS RECORDED AT ORIGINAL COST. DEPRECIATION IS COMPUTED ON STRAIGHT-LINE BASIS BY APPLYING A RATE TO GROUP ACCOUNT ASSETS FOR BOOK AND TAX PURPOSES.

B. THE COMPANY HAS ELECTED TO DEFER INCOME TAX SAVINGS EARNED BY INVESTMENT TAX CREDIT AND IS AMORTIZING THESE SAVINGS OVER THE SERVICE LIFE OF THE ASSETS ON WHICH THE ITC WAS GENERATED. DEFERRED INCOME TAXES HAVE BEEN RECORDED ON ALL TEMPORARY TIMING DIFFERENCES.

C. THE COMPANY HAS DEFINED CONTRIBUTION PENSION PLAN WHICH IS ADMINISTERED BY A TRUSTEE AND COVERS ALL ELIGIBLE EMPLOYEES. PENSION PLAN EXPENSE FOR 2000 AMOUNTS TO \$50,059.

D. IN GENERAL, REVENUES ARE RECOGNIZED WHEN EARNED REGARDLESS OF WHEN ACTUALLY RECEIVED.

-
2. A summary of significant contingent assets and liabilities existing at year end, including a brief explanation of any action initiated by the Internal Revenue Service, Wisconsin Department of Revenue, or the utility involving a possible assessment or refund of taxes.

-
3. The notes should include an explicit and precise explanation of any retained earnings restrictions and should state the amount of retained earnings affected by such restrictions.

3. RETAINED EARNINGS RESTRICTIONS:

UNDER THE MOST RESTRICTIVE PROVISIONS OF THE COMPANY'S RURAL UTILITIES SERVICE (RUS) LOAN AGREEMENT, APPROXIMATELY \$1,407,500 OF RETAINED EARNINGS IS AVAILABLE FOR DIVIDENDS.

BALANCE SHEET - ASSETS (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
CURRENT ASSETS			
CASH AND EQUIVALENTS			
Cash and Equivalents (1120)*	238,472	174,554	1
Cash (1130)			2
Special Cash Deposits (1140)			3
Working Cash Advances (1150)			4
Temporary Investments (1160)			5
TOTAL CASH AND EQUIVALENTS	238,472	174,554	
RECEIVABLES AND ALLOWANCES FOR DOUBTFUL ACCOUNTS			
Telecommunications Accounts Receivable (1180)*	80,451	64,469	6
Accounts Receivable Allowance-Telecom (1181)*			7
Net: Telecommunications Accounts Receivable	80,451	64,469	
Other Accounts Receivable (1190)*	425,932	202,939	8
Accounts Receivable Allowance--Other (1191)*			9
Net: Other Accounts Receivable	425,932	202,939	
Notes Receivable (1200)*	346,832	392,986	10
Notes Receivable Allowance (1201)*			11
Net: Notes Receivable	346,832	392,986	
Interest and Dividends Receivable (1210)*	35,522	1,640	12
TOTAL REC AND ALLOW FOR DOUBTFUL ACCOUNTS	888,737	662,034	
SUPPLIES			
Inventories (1220)*	22,592	14,962	13
TOTAL SUPPLIES	22,592	14,962	
PREPAYMENTS			
Total Prepayments (1280)*	39,544		14
Prepaid Rents (1290)			15
Prepaid Taxes (1300)			16
Prepaid Insurance (1310)			17
Prepaid Directory Expenses (1320)			18
Other Prepayments (1330)			19
TOTAL PREPAYMENTS	39,544	0	
OTHER CURRENT ASSETS			
Other Current Assets (1350)*			20
TOTAL OTHER CURRENT ASSETS	0	0	
TOTAL CURRENT ASSETS	1,189,345	851,550	
NONCURRENT ASSETS			
INVESTMENTS			
Investment in Affiliated Companies (1401)*	(197,272)	(50,006)	21
RTB Class B Stock (1402)*	5,300	5,300	22
Other Investments in Nonaffiliated Companies (1402)*			23
Nonregulated Investments (1406)*	59,518	34,212	24
Unamortized Debt Issuance Expense (1407)*	469	516	25
Sinking Funds (1408)*			26

BALANCE SHEET - ASSETS (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
NONCURRENT ASSETS			
INVESTMENTS			
Other Noncurrent Assets (1410)*	1,821,395	1,813,641	27
TOTAL INVESTMENTS	1,689,410	1,803,663	
DEFERRED CHARGES			
Deferred Tax Regulatory Asset (1437)*	0	0	28
Deferred Maintenance and Retirements (1438)*			29
Deferred Charges (1439)*	29,499	34,868	30
TOTAL DEFERRED CHARGES	29,499	34,868	
TOTAL NONCURRENT ASSETS	1,718,909	1,838,531	
PLANT			
TELECOMMUNICATIONS PLANT IN SERVICE			
Telecommunications Plant in Service (2001)*	6,828,041	6,224,693	31
Less: Accumulated Depreciation (3100)*	3,600,962	3,264,686	32
Less: Accumulated Amortization--Capitalized Leases (3410)*			33
Less: Accumulated Amortization--Leasehold Improvements (3420)*			34
Less: Accumulated Amortization--Intangible (3500)*			35
NET TELECOMMUNICATIONS PLANT IN SERVICE	3,227,079	2,960,007	
PROPERTY HELD FOR FUTURE USE			
Prop. Held for Future Telecommun. Use (2002)*			36
Less: Accumulated Depreciation--Held for Future Telecommunications Use (3200)*			37
NET PROPERTY HELD FOR FUTURE USE	0	0	
NONOPERATING PLANT			
Nonoperating Plant (2006)*			38
Less: Accumulated Depreciation--Nonoperating (3300)*			39
NET NONOPERATING PLANT	0	0	
TPUC			
TPUC (2003)*			40
TOTAL TPUC	0	0	
TELECOMMUNICATIONS PLANT ADJUSTMENT			
Telecommunications Plant Adjustment (2005)*			41
Less: Accumulated Amortization--Other (3600)*			42
NET TELECOMMUNICATIONS PLANT ADJUSTMENT	0	0	
TOTAL PLANT	3,227,079	2,960,007	
TOTAL ASSETS AND OTHER DEBITS	6,135,333	5,650,088	

BALANCE SHEET - LIABILITIES (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
CURRENT LIABILITIES			
Accounts Payable (4010)*	149,650	104,822	1
Notes Payable (4020)*	400,000	350,000	2
Advance Billing and Payments (4030)*			3
Customer Deposits (4040)*	400	400	4
Current Maturities--Long-Term Debt (4050)*	200,200	187,000	5
Current Maturities--Capital Leases (4060)*			6
Income Taxes--Accrued (4070)*		25,400	7
Other Taxes--Accrued (4080)*		(16,512)	8
Net Current Deferred Operating Income Taxes (4100)*	0	0	9
Net Current Deferred Nonoperating Income Taxes (4110)*			10
Other Accrued Liabilities (4120)*	10,605	11,039	11
Other Current Liabilities (4130)*			12
TOTAL CURRENT LIABILITIES	760,855	662,149	
LONG-TERM DEBT			
Funded Debt (4210)*	2,617,210	2,597,859	13
Premium on Long-Term Debt (4220)*			14
Discount on Long-Term Debt (4230)*			15
Reacquired Debt (4240)*			16
Obligations Under Capital Leases (4250)*			17
Advances from Affiliated Companies (4260)*	0	0	18
Other Long-Term Debt (4270)*	93,322	142,376	19
TOTAL LONG-TERM DEBT	2,710,532	2,740,235	
OTHER LIABILITIES AND DEFERRED CREDITS			
Other Long-Term Liabilities (4310)*			20
Unamortized Operating ITC--Net (4320)*	8,145	11,437	21
Unamortized Nonoperating ITC--Net (4330)*			22
Net Noncurrent Deferred Operating Income Taxes (4340)*	(1,434)	(2,554)	23
Net Deferred Tax Liability Adjustments (4341)*	0	0	24
Net Noncurrent Deferred Nonoperating Income Taxes (4350)*	(116,209)	(34,254)	25
Other Deferred Credits (4360)*			26
Deferred Tax Regulatory Liability (4361)*	12,972	12,972	27
TOTAL OTHER LIABILITIES AND DEFERRED CREDITS	(96,526)	(12,399)	
STOCKHOLDERS' EQUITY			
Capital Stock (4510)*	229,950	229,950	28
Additional Paid-in Capital (4520)*			29
Treasury Stock (4530)*			30
Other Capital (4540)*	(3,634)	(3,804)	31
Retained Earnings (4550)*	2,534,156	2,033,957	32
TOTAL STOCKHOLDERS' EQUITY	2,760,472	2,260,103	
TOTAL LIABILITIES AND OTHER CREDITS	6,135,333	5,650,088	

IMPORTANT CHANGES DURING THE YEAR

1. Estimated increase or decrease in annual revenues due to important rate changes, giving bases of estimates.

NONE

2. Additional matters of fact (not elsewhere provided for) which respondent may desire to include in its report.

NONE

AFFILIATE ABBREVIATIONS

In column (b) provide the abbreviation for the name of the affiliate shown in column (a). Limit abbreviations to 10 characters or less. Use these abbreviations when completing the affiliated interest schedules. Insert "Other" in the Abbreviations column if the activity to be reported for a particular record in the Affiliated Interest Transactions or Affiliated Assets and Liabilities schedule represents an aggregation of activity not exceeding the dollar or percentage limits set forth in the header of that schedule.

Name of Affiliate (a)	Abbreviations (b)	
BAYLAND COMMUNICATIONS, INC.	BAYCOM	1
BAYNET, INC.	BAYNET	2

AFFILIATED INTEREST TRANSACTIONS

Provide a summary of transactions under established affiliated interest contracts and arrangements (see Wis. Stat. § 196.52, for "affiliated interest" definitions). Use the space below to report transactions with individual affiliates and multiple affiliated interest agreements or, at the utility's option, with individual affiliates and a single agreement. Activity associated with affiliated contracts or arrangements not in excess of \$25,000 or 5 percent of the equity of the utility, whichever is smaller, may be aggregated in a single record. For utilities whose intrastate gross operating revenues of the previous year exceeded \$100,000,000, individual contracts or arrangements not exceeding \$100,000 may be aggregated in a single record. Where an affiliate is both providing and receiving service use one record to show billings to and a second record for billings from. When billings to or from an affiliate are recorded on the books of the utility, the records underlying such billings shall be sufficient to show all the detail maintained to identify the associated accounts related to the billing.

Particulars (a)	(b)	(c)	(d)	(e)
Docket	0387NC100	7147TI100		
Name of Affiliate	BAYCOM	BAYNET		1
Designate whether billed to or from:	TO	TO		2
Cost Based (C), Market Price (M), Prevailing Price (P), Tariff (T), Other (O)	C	C		3
Total Dollar Activity	---CONF---	---CONF---		4
Percent of affiliate's business billed to all affiliated regulated utilities	---CONF---	---CONF---		5
If cost based, rate of return on equity or markup incorporated in billings	---CONF---	---CONF---		6
Footnotes				

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

Plant Account (a)	Account (b)	Balance FOY (c)	Additions (d)	
GENERAL SUPPORT ASSETS				
Land	2111	33,746	11,402	1
Motor Vehicles	2112	137,026	22,445	2
Aircraft	2113	0		3
Special Purpose Vehicles	2114	0		4
Garage Work Equipment	2115	0		5
Other Work Equipment	2116	33,448	3,929	6
Buildings	2121	260,295	1,532	7
Furniture	2122	16,848		8
Office Equipment	2123	41,179	6,425	9
General Purpose Computers	2124	103,218	31,332	10
TOTAL--GENERAL SUPPORT ASSETS:		625,760	77,065	
CENTRAL OFFICE ASSETS				
Analog Electronic Switching	2211	0		11
Digital Electronic Switching	2212	1,578,715	246,983	12
Electro-Mechanical Switching	2215	0	0	13
Operator Systems	2220	0		14
Radio Systems	2231	0	0	15
Circuit Equipment	2232	643,091	85,022	16
TOTAL--CENTRAL OFFICE ASSETS:		2,221,806	332,005	
INFORMATION ORIGATION/TERMINATION ASSETS				
Station Apparatus	2311	0		17
Customer Premises Wiring	2321	0		18
Large Private Branch Exchanges	2341	0		19
Public Telephone Terminal Equipment	2351	0		20
Other Terminal Equipment	2362	0		21
TOTAL--INFORMATION ORIG/TERM ASSETS:		0	0	
CABLE WIRE FACILITIES ASSETS				
Poles	2411	0		22
Aerial Cable	2421	0	0	23
Underground Cable	2422	0	0	24
Buried Cable	2423	3,377,127	344,057	25
Submarine Cable	2424	0	0	26
Deep Sea Cable	2425	0		27
Intrabuilding Network Cable	2426	0	0	28
Aerial Wire	2431	0		29
Conduit Systems	2441	0		30
TOTAL--CABLE WIRE FACILITIES ASSETS:		3,377,127	344,057	
AMORTIZABLE ASSETS				
Capital Leases	2681	0		31

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (cont.)

Account (e)	Retirements (f)	Transfers / Adjustments (g)	Balance EOY (h)	
2111	431		44,717	1
2112	15,463		144,008	2
2113			0	3
2114			0	4
2115			0	5
2116			37,377	6
2121			261,827	7
2122			16,848	8
2123	0	0	47,604	9
2124	10,788		123,762	10
	26,682	0	676,143	
2211			0	11
2212	0	0	1,825,698	12
2215	0	0	0	13
2220			0	14
2231	0	0	0	15
2232	29,697	0	698,416	16
	29,697	0	2,524,114	
2311			0	17
2321			0	18
2341			0	19
2351			0	20
2362			0	21
	0	0	0	
2411			0	22
2421	0	0	0	23
2422	0	0	0	24
2423	93,400	0	3,627,784	25
2424	0	0	0	26
2425			0	27
2426	0	0	0	28
2431			0	29
2441			0	30
	93,400	0	3,627,784	
2681			0	31

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

Plant Account (a)	Account (b)	Balance FOY (c)	Additions (d)
AMORTIZABLE ASSETS			
Leasehold Improvements	2682	0	32
Intangibles	2690	0	33
TOTAL--AMORTIZABLE ASSETS:		0	0
TOTAL TELECOM. PLANT IN SERVICE	2001	6,224,693	753,127
Less: Allocation to Nonregulated Activity - EOY	2001		34
NET REG. TOTAL TELE. PLANT IN SERV. - EOY	2001		

Explain all amounts shown in column (g).

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (cont.)

Account (e)	Retirements (f)	Transfers / Adjustments (g)	Balance EOY (h)	
2682			0	32
2690			0	33
	0	0	0	
	149,779	0	6,828,041	
2001			0	34
			6,828,041	

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (SUB-CLASS ACCOUNTS)

Report telecommunications plant data for each subaccount where primary plant accounts have subclassifications. Amounts pertaining to subaccount 2212.4, Test Equipment, should be reported in account 2212.2, Digital Switching - Central Office; amounts for subaccounts 2231.3, Microwave, 2231.4, Cellular, 2231.5, Mobile Radio, and 2231.6, Paging, should be included in 2231.2, Other Radio Facilities; amounts pertaining to subaccounts 2232.4, Digital Data Services, 2232.5, Digital Circuit - Subscriber, 2232.6, Digital Circuit - Trunk - Toll, and 2232.7, Concentrators, should be reported in 2232.1, Digital Circuit Equipment. Any other separate accounting for telephone plant at an individual telephone company should be consolidated and reported in the primary accounts as defined in the uniform system of accounts.

Plant Subaccount (a)	Subaccount (b)	Balance FOY (c)	Additions (d)	
Office Support Equipment	2123.1	16,189	6,425	1
Company Communications Equipment	2123.2	24,990		2
Software	2212.1	0		3
Digital Switching - Central Office	2212.2	1,519,011	246,983	4
Digital Switching - Remote	2212.3	59,704		5
Step by Step Switching	2215.1	0		6
Crossbar Switching	2215.2	0		7
Satellite and Earth Station Facilities	2231.1	0		8
Other Radio Facilities	2231.2	0		9
Digital Circuit Equipment	2232.1	552,754	85,022	10
Analog Circuit Equipment	2232.2	0		11
Light Wave Circuit Equipment	2232.3	90,337		12
Aerial Cable - Nonmetallic	2421.1	0		13
Aerial Cable - Metallic	2421.2	0		14
Underground Cable - Nonmetallic	2422.1	0		15
Underground Cable - Metallic	2422.2	0		16
Buried Cable - Nonmetallic	2423.1	279,382		17
Buried Cable - Metallic	2423.2	3,097,745	344,057	18
Submarine Cable - Nonmetallic	2424.1	0		19
Submarine Cable - Metallic	2424.2	0		20
Intrabuilding Cable - Nonmetallic	2426.1	0		21
Intrabuilding Cable - Metallic	2426.2	0		22

Explain all amounts shown in column (g).

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (SUB-CLASS ACCOUNTS) **(cont.)**

Subaccount (e)	Retirements (f)	Transfers / Adjustments (g)	Balance EOY (h)	
2123.1			22,614	1
2123.2			24,990	2
2212.1			0	3
2212.2			1,765,994	4
2212.3			59,704	5
2215.1			0	6
2215.2			0	7
2231.1			0	8
2231.2			0	9
2232.1	29,697		608,079	10
2232.2			0	11
2232.3			90,337	12
2421.1			0	13
2421.2			0	14
2422.1			0	15
2422.2			0	16
2423.1			279,382	17
2423.2	93,400		3,348,402	18
2424.1			0	19
2424.2			0	20
2426.1			0	21
2426.2			0	22

ACCUMULATED DEPRECIATION CLASS A & B

Primary Plant Account (a)	Acct (b)	Balance FOY (c)	Depr Rate (d)	Annual Accrual (e)	Additional Accrual (f)
GENERAL SUPPORT ASSETS					
Motor Vehicles	2112	105,670	15.9	16,073	1
Aircraft	2113	0			2
Special Purpose Vehicles	2114	0			3
Garage Work Equipment	2115	0			4
Other Work Equipment	2116	31,536	10.0	2,388	5
Buildings	2121	129,474	2.95	7,701	6
Furniture	2122	11,377	10.0	1,479	7
Office Equipment	2123	26,747	20.0	6,513	8
General Purpose Computers	2124	100,993	25.0	28,211	9
Total-- GENERAL SUPPORT ASSETS		405,797		62,365	0
CENTRAL OFFICE ASSETS					
Analog Electronic Switching	2211	0			10
Digital Electronic Switching	2212	975,245	9.7	165,023	11
Electro-Mechanical Switching	2215	0			12
Operator Systems	2220	0			13
Radio Systems	2231	0			14
Circuit Equipment	2232	492,549	11.6	77,772	15
Total-- CENTRAL OFFICE ASSETS		1,467,794		242,795	0
INFORMATION ORIG/TERM ASSETS					
Station Apparatus	2311	0			16
Customer Premises Wiring	2321	0			17
Large Private Branch Exchanges	2341	0			18
Public Telephone Terminal Equipment	2351	0			19
Other Terminal Equipment	2362	0			20
Total-- INFORMATION ORIG/TERM ASSETS		0		0	0
CABLE WIRE FACILITIES ASSETS					
Poles	2411	0			21
Aerial Cable	2421	0			22
Underground Cable	2422	0			23
Buried Cable	2423	1,391,095	5.0	175,045	24
Submarine Cable	2424	0			25
Deep Sea Cable	2425	0			26
Intrabuilding Network Cable	2426	0			27
Aerial Wire	2431	0			28

ACCUMULATED DEPRECIATION CLASS A & B

Primary Plant Account (a)	Acct (b)	Balance FOY (c)	Depr Rate (d)	Annual Accrual (e)	Additional Accrual (f)
CABLE WIRE FACILITIES ASSETS					
Conduit Systems	2441	0			29
Total-- CABLE WIRE FACILITIES ASSETS		1,391,095		175,045	0
Total Accumulated Depreciation	3100	3,264,686		480,205	0
Less: Allocation to Nonregulated Activity - Columns e, f and I	3100				30
Net Regulated Total Accum Depreciation - 3100					
Columns e, f and I					

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2112	15,463		600		106,880	1
2113					0	2
2114					0	3
2115					0	4
2116					33,924	5
2121					137,175	6
2122					12,856	7
2123	0				33,260	8
2124	10,788				118,416	9
	26,251	0	600	0	442,511	
2211					0	10
2212	0				1,140,268	11
2215	0				0	12
2220					0	13
2231	0				0	14
2232	29,697		4,900		545,524	15
	29,697	0	4,900	0	1,685,792	
2311					0	16
2321					0	17
2341					0	18
2351					0	19
2362					0	20
	0	0	0	0	0	
2411					0	21
2421	0				0	22
2422	0				0	23
2423	93,400	81			1,472,659	24
2424	0				0	25
2425					0	26
2426	0				0	27
2431					0	28

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2441					0	29
	93,400	81	0	0	1,472,659	
3100	149,348	81	5,500	0	3,600,962	
3100						30
3100						

ACCUMULATED DEPRECIATION CLASS A & B (SUB-CLASS ACCOUNTS)

Where subclassifications of primary plant accounts are used, report below the accumulated depreciation details for each subaccount. Amounts pertaining to subaccount 2212.4, Test Equipment, should be reported in account 2212.2, Digital Switching - Central Office; amounts for subaccounts 2231.3, Microwave, 2231.4, Cellular, 2231.5, Mobile Radio, and 2231.6, Paging, should be included in 2231.2, Other Radio Facilities; amounts pertaining to subaccounts 2232.4, Digital Data Services, 2232.5, Digital Circuit - Subscriber, 2232.6, Digital Circuit - Trunk - Toll, and 2232.7, Concentrators, should be reported in 2232.1, Digital Circuit Equipment. Any other separate accounting for telephone accumulated depreciation at an individual telephone company should be consolidated and reported in the primary accounts as defined in the uniform system of accounts.

Plant Subaccount (a)	Subacct (b)	Balance FOY (c)	Depr Rate (d)	Annual Accrual (e)	Additional Accrual (f)
Office Support Equipment	2123.1	13,030	20.0	2,440	1
Company Communications Equipment	2123.2	13,717	20.0	4,073	2
Software	2212.1	0			3
Digital Switching - Central Office	2212.2	950,454	9.7	159,626	4
Digital Switching - Remote	2212.3	24,791	9.7	5,397	5
Step by Step Switching	2215.1	0			6
Crossbar Switching	2215.2	0			7
Satellite and Earth Station Facilities	2231.1	0			8
Other Radio Facilities	2231.2	0			9
Digital Circuit Equipment	2232.1	439,731	11.6	67,293	10
Analog Circuit Equipment	2232.2	0			11
Light Wave Circuit Equipment	2232.3	52,818	11.6	10,479	12
Aerial Cable - Nonmetallic	2421.1	0			13
Aerial Cable - Metallic	2421.2	0			14
Underground Cable - Nonmetallic	2422.1	0			15
Underground Cable - Metallic	2422.2	0			16
Buried Cable - Nonmetallic	2423.1	60,946	5.0	13,969	17
Buried Cable - Metallic	2423.2	1,330,149	5.0	161,076	18
Submarine Cable - Nonmetallic	2424.1	0			19
Submarine Cable - Metallic	2424.2	0			20
Intrabuilding Cable - Nonmetallic	2426.1	0			21
Intrabuilding Cable - Metallic	2426.2	0			22

ACCUMULATED DEPRECIATION CLASS A & B (SUB-CLASS ACCOUNTS) (cont.)

Subacct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2123.1					15,470	1
2123.2					17,790	2
2212.1					0	3
2212.2					1,110,080	4
2212.3					30,188	5
2215.1					0	6
2215.2					0	7
2231.1					0	8
2231.2					0	9
2232.1	29,697		4,900		482,227	10
2232.2					0	11
2232.3					63,297	12
2421.1					0	13
2421.2					0	14
2422.1					0	15
2422.2					0	16
2423.1					74,915	17
2423.2	93,400	81			1,397,744	18
2424.1					0	19
2424.2					0	20
2426.1					0	21
2426.2					0	22

NET DEFERRED OPERATING INCOME TAXES (ACCT. 1350, 1410, 1437, 4100, 4340, 4341 & 4361)

This schedule should be used to report the deferred operating income tax portion of the stated accounts.
Credit amounts should be shown in ().

Particulars (a)	Balance EOY (b)	
PROPERTY RELATED		
Other Current Assets (1350)		1
Other Noncurrent Assets (1410)		2
Deferred Tax Regulatory Asset (1437)		3
Net Current Deferred Operating Income Taxes (4100)		4
Net Noncurrent Deferred Operating Income Taxes (4340)	2,769	5
Net Deferred Tax Liability Adjustments (4341)		6
Deferred Tax Regulatory Liability (4361)	(12,710)	7
Net Property Related Deferred Operating Income Taxes	(9,941)	
Less: Allocation to Nonregulated Activity	0	8
Net Regulated Total Property Related Deferred Operating Income Taxes	(9,941)	
NONPROPERTY RELATED		
Other Current Assets (1350)		9
Other Noncurrent Assets (1410)		10
Deferred Tax Regulatory Asset (1437)		11
Net Current Deferred Operating Income Taxes (4100)		12
Net Noncurrent Deferred Operating Income Taxes (4340)	(1,335)	13
Net Deferred Tax Liability Adjustments (4341)		14
Deferred Tax Regulatory Liability (4361)	(262)	15
Total Nonproperty Related Deferred Operating Income Taxes	(1,597)	

RETAINED EARNINGS (ACCT. 4550)

Particulars (a)	This Year (b)	Last Year (c)	
Balance-First of Year	2,033,957	1,687,603	1
Changes:			
Balance Transferred from Income	541,266	394,565	2
Dividends Declared:			
Common	41,067	41,067	3
Preferred		0	4
Total Dividends Declared	41,067	41,067	
Miscellaneous Debits to Retained Earnings		7,144	5
Miscellaneous Credits to Retained Earnings		0	6
Balance--End of Year	<u>2,534,156</u>	<u>2,033,957</u>	

REVENUES - CLASS A & B (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	This Year (b)	Last Year (c)	
LOCAL NETWORK SERVICES REVENUES			
Basic Local Service Revenue (5000)*	669,000	602,134	1
Basic Area Revenue (5001)			2
Optional Extended Area Revenue (5002)			3
Cellular Mobile Revenue (5003)			4
Other Mobile Services Revenue (5004)			5
Public Telephone Revenue (5010)			6
Local Private Line Revenue (5040)			7
Customer Premises Revenue (5050)			8
Other Local Exchange Revenue (5060)			9
Other Local Exchange Revenue Settlements (5069)			10
TOTAL BASIC LOCAL SERVICE REVENUE (5000)	669,000	602,134	
NETWORK INTERSTATE ACCESS SERVICES REV.			
End User Revenue (5081)*	96,052	90,355	11
Switched Access Revenue (5082)*	426,181	361,550	12
Special Access Revenue (5083)*			13
TOTAL INTERSTATE ACCESS REVENUES (5080)	522,233	451,905	
NETWORK INTRASTATE ACCESS SERVICES REV.			
End User Revenue (5084.1)*			14
Switched Access Revenue (5084.2)*	330,072	358,768	15
Special Access Revenue (5084.3)*			16
TOTAL INTRASTATE ACCESS REVENUES (5084)	330,072	358,768	
LONG DISTANCE NETWORK SERVICES MESSAGE REV.			
Long Distance Message Revenue (5100)*			17
Long Distance Inward-Only Revenue (5111)			18
Long Distance Outward-Only Revenue (5112)			19
Unidirectional Long Distance Revenue (5110)	0	0	
Long Distance Private Network Revenues			
Subvoice Grade Revenue (5121)			20
Voice Grade Revenue (5122)			21
Audio Program Grade Revenue (5123)			22
Video Program Grade Revenue (5124)			23
Digital Transmission Revenue (5125)			24
Switching Revenue (5126)			25
Other Revenue (5128)			26
Other Revenue Settlements (5129)			27
Total Long Distance Private Network Revenue	0	0	
Other Long Distance Revenue (5160)			28
Other Long Distance Revenue Settlements (5169)			29
TOTAL LONG DISTANCE NET. SERVICES MESSAGE REV.	0	0	

REVENUES - CLASS A & B (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	This Year (b)	Last Year (c)	
MISCELLANEOUS REVENUES			
Directory Revenue (5230)*	---CONF---	---CONF---	30
Rent Revenue (5240)*	---CONF---	---CONF---	31
Corporate Operations Revenue (5250)*	---CONF---	---CONF---	32
Miscellaneous:			
Miscellaneous Revenue (5260)*	---CONF---	---CONF---	33
Special Billing Arrangements Revenue (5261)	---CONF---	---CONF---	34
Customer Operations Revenue (5262)	---CONF---	---CONF---	35
Plant Operations Revenue (5263)	---CONF---	---CONF---	36
Other Incidental Regulated Revenue (5264)	---CONF---	---CONF---	37
Other Revenue Settlements (5269)	---CONF---	---CONF---	38
Total Miscellaneous Revenue (5260)	---CONF---	---CONF---	
Interstate Billing and Collection Revenue*	---CONF---	---CONF---	39
Intrastate Billing and Collection Revenue*	---CONF---	---CONF---	40
Total Carrier Billing and Collection Revenue (5270)*	---CONF---	---CONF---	
Nonregulated Operating Revenue (5280)**	---CONF---	---CONF---	41
TOTAL MISCELLANEOUS REVENUES	112,026	105,275	
GROSS OPERATING REVENUES	1,633,331	1,518,082	
UNCOLLECTIBLE REVENUES			
Uncollectible Revenue (5300)*	7,641	3,891	42
Uncollectible Revenue--Telecommunications (5301)			43
Uncollectible Revenue--Other (5302)			44
TOTAL UNCOLLECTIBLE REVENUE (5300)	7,641	3,891	
TOTAL OPERATING REVENUES	1,625,690	1,514,191	

** Account 5280 is to be used only by those companies subject to dual jurisdiction.

EXPENSES - CLASS A & B

Particulars (a)	Total This Year (b)	Total Last Year (c)	
PLANT SPECIFIC OPERATIONS EXPENSE			
Total Network Support Expense (6110)		0	1
Less: Nonregulated		0	2
Net Regulated	0	0	3
Total General Support Expense (6120)	17,270	15,761	4
Less: Nonregulated		0	5
Net Regulated	17,270	15,761	6
Total Central Office Switching Expense (6210)	84,750	82,754	7
Less: Nonregulated		0	8
Net Regulated	84,750	82,754	9
Total Operator Systems Expense (6220)		0	10
Less: Nonregulated		0	11
Net Regulated	0	0	12
Total Central Office Transmission Expenses (6230)	22,192	11,492	13
Less: Nonregulated		0	14 A
Net Regulated	22,192	11,492	15
Total Information Orig. / Term. Expense (6310)		0	16
Less: Nonregulated		0	17
Net Regulated	0	0	18
Total Cable and Wire Fac. Expense (6410)	154,409	108,681	19
Less: Nonregulated		0	20 B
Net Regulated	154,409	108,681	21
TOTAL PLANT SPECIFIC OPERATIONS EXPENSE	278,621	218,688	
Less: Nonregulated	0	0	
Net Regulated	278,621	218,688	
PLANT NONSPECIFIC OPERATIONS EXPENSE			
Total Other Property, Plant and Equip. Exp. (6510)	0	0	22
Less: Nonregulated		0	23
Net Regulated	0	0	24
Total Network Operations Expense (6530)	30,075	40,862	25
Less: Nonregulated		0	26 C
Net Regulated	30,075	40,862	27
Access Expense (6540)	7,537	7,564	28
Less: Nonregulated		0	29
Net Regulated	7,537	7,564	30
Total Depreciation and Amortization Expense (6560)	480,205	438,393	31
Less: Nonregulated	4,097	4,734	32
Net Regulated	476,108	433,659	33
TOTAL PLANT NONSPECIFIC OPERATIONS EXP.	517,817	486,819	
Less: Nonregulated	4,097	4,734	
Net Regulated	513,720	482,085	

EXPENSES - CLASS A & B

Particulars (a)	Total This Year (b)	Total Last Year (c)	
CUSTOMER OPERATIONS EXPENSE			
Total Marketing (6610)	14,796	11,466	34
Less: Nonregulated		0	35
Net Regulated	14,796	11,466	36
Total Services (6620)	302,812	291,859	37
Less: Nonregulated		0	38
Net Regulated	302,812	291,859	39
TOTAL CUSTOMER OPERATIONS EXPENSE	317,608	303,325	
Less: Nonregulated	0	0	
Net Regulated	317,608	303,325	
CORPORATE OPERATIONS EXPENSE			
Total Exec. and Planning (6710)	46,619	60,086	40
Less: Nonregulated		0	41 D
Net Regulated	46,619	60,086	42
Total General and Administrative (6720)	172,497	188,991	43
Less: Nonregulated		0	44
Net Regulated	172,497	188,991	45
Provision for Uncollectible Notes Receiv. (6790)		0	46
Less: Nonregulated		0	47
Net Regulated	0	0	48
TOTAL CORPORATE OPERATIONS EXPENSE	219,116	249,077	
Less: Nonregulated	0	0	
Net Regulated	219,116	249,077	
TOTAL EXPENSES	1,333,162	1,257,909	
Less: Nonregulated	4,097	4,734	
Net Regulated	1,329,065	1,253,175	

EXPENSES - CLASS A & B (DETAIL)

Particulars (a)	Total This Year (b)	Total Last Year (c)	
Property Held for Future Tele. Use Exp. (6511)		0	1
Provisioning Expense (6512)		0	2
Total: Reported in Account 6510	0	0	
Depreciat. Exp.--Tele. Plant in Service (6561)	480,205	438,393	3
Depreciat. Exp.--Prop. Held for Future Tele. Use (6562)		0	4
Amortization Expense--Tangible (6563)		0	5
Amortization Expense--Intangible (6564)		0	6
Amortization Expense--Other (6565)		0	7
Total: Reported in Account 6560	480,205	438,393	

CALCULATION OF ASSESSABLE REVENUES FOR REMAINDER AND TELEPHONE RELAY ASSESSMENT PURPOSES

Currently, cooperatives are not billed for remainder assessment, but are subject to the telephone relay assessment.

Description (a)	This Year (b)	
Gross Operating Revenues	1,633,331	1
Plus: Collection of amounts previously written off	3,336	2
Less: Uncollectibles written off during the year	10,977	3
Plus: Total Other Operating Income and (Expense) (7100)	0	4
Less: Nonregulated Operating Revenue (included in Gross Oper. Rev. on Line 1)		5
Plus: Nonregulated Net Write Off Amount (included on lines 2 and 3)		6
Less: Out-of-State Operating Revenues (included in Gross Oper. Rev. on Line 1)		7
Plus (or Less) Other (please specify): NONE	0	8
Assessable Revenues for Remainder and Telephone Relay Assessment Purposes	<u>1,625,690</u>	

CALCULATION OF ASSESSABLE REVENUES FOR UNIVERSAL SERVICE FUND ASSESSMENT PURPOSES

Description (a)	This Year (b)	
Total Basic Local Service Revenue (5000)	669,000	1
Plus: Total Intrastate Access Revenues (5084)	330,072	2
Plus: Total Long Distance Network Services Revenue	0	3
Less: Out-of-State Operating Revenues (included in the above lines)		4
Plus: Intrastate Payphone Revenues	---CONF---	5
Plus (or Less) Other (please specify):	---CONF---	6
Assessable Revenues for Universal Service Fund Assessment Purposes	<u>---CONF---</u>	

CALCULATION OF ASSESSABLE REVENUES FOR REMAINDER AND TELEPHONE RELAY ASSESSMENT PURPOSES

Currently, cooperatives are not billed for remainder assessment, but are subject to the telephone relay assessment.

Description (a)	This Year (b)	
Gross Operating Revenues	1,633,331	1
Plus: Collection of amounts previously written off	3,336	2
Less: Uncollectibles written off during the year	10,977	3
Plus: Total Other Operating Income and (Expense) (7100)	0	4
Less: Nonregulated Operating Revenue (included in Gross Oper. Rev. on Line 1)		5
Plus: Nonregulated Net Write Off Amount (included on lines 2 and 3)		6
Less: Out-of-State Operating Revenues (included in Gross Oper. Rev. on Line 1)		7
Plus (or Less) Other (please specify): NONE	0	8
Assessable Revenues for Remainder and Telephone Relay Assessment Purposes	1,625,690	

CALCULATION OF ASSESSABLE REVENUES FOR UNIVERSAL SERVICE FUND ASSESSMENT PURPOSES

Description (a)	This Year (b)	
Total Basic Local Service Revenue (5000)	669,000	1
Plus: Total Intrastate Access Revenues (5084)	330,072	2
Plus: Total Long Distance Network Services Revenue	0	3
Less: Out-of-State Operating Revenues (included in the above lines)		4
Plus: Intrastate Payphone Revenues	---CONF---	5
Plus (or Less) Other (please specify):	---CONF---	6
Assessable Revenues for Universal Service Fund Assessment Purposes	---CONF---	

OTHER INCOME ACCOUNTS

Particulars (a)	This Year (b)	Last Year (c)	
OTHER OPERATING INCOME AND EXPENSE			
Total Other Oper. Income and (Expense) (7100)			1
OPERATING TAXES			
Operating Investment Tax Credits--Net (7210)	(3,292)	(3,695)	2
Operating Federal Income Taxes (7220)	27,114	5,095	3
Operating State and Local Income Taxes (7230)	6,626	1,285	4
Operating Other Taxes (7240)	50,476	87,697	5
Provision for Deferred Operating Income Taxes--Net (7250)	1,120	1,264	6
TOTAL OPERATING TAXES (7200)	82,044	91,646	
NONOPERATING INCOME AND EXPENSE			
Dividend Income (7310)			7
Interest Income (7320)	56,148	34,467	8
Income from Sinking and Other Funds (7330)			9
Allowance for Funds Used During Construction (7340)	5,272		10
Gains or (Losses) from the Disposition of Certain Property (7350)			11
Other Nonoperating Income (7360)	499,484	456,923	12
Special Charges (7370)	(7,225)	(4,609)	13
TOTAL NONOPERATING INCOME AND EXPENSE (7300)	568,129	495,999	
NONOPERATING TAXES			
Total Nonoperating Taxes (7400)	109,023	170,090	14
INTEREST AND RELATED ITEMS			
Total Interest and Related Items (7500)	163,043	157,597	15
EXTRAORDINARY ITEMS			
Extraordinary Items (7600)			16
NONREGULATED NET INCOME			
Nonregulated Net Income (7990)	30,622	56,883	17

NONREGULATED ACTIVITIES

List the type of nonregulated activities that the company is involved in.

Nonregulated Activity (a)	
---CONF---	1
---CONF---	2
---CONF---	3

DISTRIBUTION OF SALARIES AND WAGES

Description (a)	Amount (b)	
Regulated Expense	350,025	1
All Other Accounts	173,724	2
Total Salaries and Wages	523,749	3 F

TELEPHONE CALLS AND MINUTES OF USE PER MONTH

Enter average number, in thousands, of calls and minutes of use per month. The averages may be based on actual counts taken periodically during the year. Please provide level of detail available.

Item (a)	Telephone Calls (000's) (b)	Minutes of Use (000's) (c)	
LOCAL			
Intra-Exchange	---CONF---	---CONF---	1
Extended Area Service	---CONF---	---CONF---	2
Extended Community Calling	---CONF---	---CONF---	3
Other Local-Undefined	---CONF---	---CONF---	4
Total Local	487	4,232	
TOLL			
Toll	63	742	5
Total Toll	63	742	
Total Local & Toll	550	4,974	

ACCESS USAGE

Enter number, in thousands, of Billed Minutes.

Description (a)	Billed Minutes (000's)				
	Interstate InterLATA (b)	Intrastate InterLATA (c)	Intrastate IntraLATA (d)	Interstate IntraLATA (e)	
Feature Group A -- Orig.	---CONF---	---CONF---	---CONF---	---CONF---	1
Feature Group A -- Term.	---CONF---	---CONF---	---CONF---	---CONF---	2
Feature Group B -- Orig.	---CONF---	---CONF---	---CONF---	---CONF---	3
Feature Group B -- Term.	---CONF---	---CONF---	---CONF---	---CONF---	4
Feature Group C -- Orig.	---CONF---	---CONF---	---CONF---	---CONF---	5
Feature Group C -- Term.	---CONF---	---CONF---	---CONF---	---CONF---	6
Feature Group D -- Orig.	---CONF---	---CONF---	---CONF---	---CONF---	7
Feature Group D -- Term.	---CONF---	---CONF---	---CONF---	---CONF---	8

OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
Sheath miles of plant - fiber optics	21	1
Strand miles of plant - fiber optics	368	2
Route miles of plant - microwave		3

SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR

Circuit Type (a)	InterLATA Chan. Terms. (b)	IntraLATA Chan. Terms. (c)	
Voice grade	---CONF---	---CONF---	1
56 kbps	---CONF---	---CONF---	2
64 kbps (DS0)	---CONF---	---CONF---	3 E
1.54 Mbps (DS-1)	---CONF---	---CONF---	4
45 Mbps (DS-3)	---CONF---	---CONF---	5 E
SONET OC-1	---CONF---	---CONF---	6
SONET OC-3	---CONF---	---CONF---	7
SONET OC-12	---CONF---	---CONF---	8
SONET OC-48	---CONF---	---CONF---	9
SONET OC-192	---CONF---	---CONF---	10

OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
Sheath miles of plant - fiber optics	21	1
Strand miles of plant - fiber optics	368	2
Route miles of plant - microwave		3

SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR

Circuit Type (a)	InterLATA Chan. Terms. (b)	IntraLATA Chan. Terms. (c)	
Voice grade	---CONF---	---CONF---	1
56 kbps	---CONF---	---CONF---	2
64 kbps (DS0)	---CONF---	---CONF---	3 E
1.54 Mbps (DS-1)	---CONF---	---CONF---	4
45 Mbps (DS-3)	---CONF---	---CONF---	5 E
SONET OC-1	---CONF---	---CONF---	6
SONET OC-3	---CONF---	---CONF---	7
SONET OC-12	---CONF---	---CONF---	8
SONET OC-48	---CONF---	---CONF---	9
SONET OC-192	---CONF---	---CONF---	10

SERVICE DATA

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	FOY (b)	EOY (c)	
Business			
1 Party	---CONF---	---CONF---	3
2 Party	---CONF---	---CONF---	4
4 Party	---CONF---	---CONF---	5
PBX Trunks/System Trunks	---CONF---	---CONF---	6
Centrex Trunks	---CONF---	---CONF---	7
Centrex Lines	---CONF---	---CONF---	8
Key System Trunks	---CONF---	---CONF---	9
Mobile (Utility Provided Service)	---CONF---	---CONF---	10
Paging (Utility Provided Service)	---CONF---	---CONF---	11
FX-Out (Switched)	---CONF---	---CONF---	12
Pay Telephone	---CONF---	---CONF---	13
Coin-Operated Pay Telephone	---CONF---	---CONF---	14
Independent Pay Telephone Provider	---CONF---	---CONF---	15
Pay Stations - Public	---CONF---	---CONF---	16
- Semi-Public	---CONF---	---CONF---	17
- Cust. Owned	---CONF---	---CONF---	18
Other	---CONF---	---CONF---	19
Total Business Lines	238	243	20
Residential (Incl. Emp. Concess.)			
1 Party	---CONF---	---CONF---	22
2 Party	---CONF---	---CONF---	23
4 Party	---CONF---	---CONF---	24
FX-Out (Switched)	---CONF---	---CONF---	25
Other	---CONF---	---CONF---	26
Total Residential Lines	1,888	2,002	27
Total Bus & Res Lines	2,126	2,245	28
Company Used Lines	38	36	29
Total Lines Used	2,164	2,281	30

SERVICE DATA (cont.)

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	FOY (b)	EOY (c)	
Miscellaneous			
WATS Lines - OutWATS	---CONF---	---CONF---	3
WATS Lines - 800 Service	---CONF---	---CONF---	4
FX-In-intraLATA	---CONF---	---CONF---	5
Special Access-intraLATA			6
(expressed in equiv. access lines)	---CONF---	---CONF---	7
Special Access-interLATA			8
(expressed in equiv. access lines)	---CONF---	---CONF---	9
Feature Group A Lines	---CONF---	---CONF---	10
Feature Group B Trunks	---CONF---	---CONF---	11
Feature Group C Trunks	---CONF---	---CONF---	12
Feature Group D Trunks	---CONF---	---CONF---	13
TSPS - Trunks	---CONF---	---CONF---	14
EAS - Trunks	210	312	15
Cellular Trunks (Pub. Sw. Net.)	---CONF---	---CONF---	16
Video Distance Learning			17
- discounted (special tariff)			18
Customers			
Business - 2 Party Customers			19
Business - 4 Party Customers			20
Residential - 2 Party Customers			21
Residential - 4 Party Customers			22
Other			
Total Central Office, Info. Orig./Term., & Cable			23
Wire Fac. Assets (based on physical			24
location of plant)	5,598,933	6,151,898	25
Total Company Square Miles	88	88	26
Total Company Route Miles	496	525	27
Footnotes			28
			29
			30

SERVICE DATA - END OF YEAR

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	Exchange (b)	Exchange (c)	Exchange (d)	Exchange (e)	
PSCW Exchange ID	0010				1
Business					2
1 Party	---CONF---				3
2 Party	---CONF---				4
4 Party	---CONF---				5
PBX Trunks/System Trunks	---CONF---				6
Centrex Trunks	---CONF---				7
Centrex Lines	---CONF---				8
Key System Trunks	---CONF---				9
Mobile (utility provided service)	---CONF---				10
Paging (utility provided service)	---CONF---				11
FX-Out (Switched)	---CONF---				12
Pay Telephone	---CONF---				13
Coin-Operated Pay Telephone	---CONF---				14
Independent Pay Telephone Provider	---CONF---				15
Pay Stations - Public	---CONF---				16
- Semi-Public	---CONF---				17
- Cust. Owned	---CONF---				18
Other	---CONF---				19
Total Business Lines	243	0	0	0	20
Residential (Incl. Emp. Concess.)					21
1 Party	---CONF---				22
2 Party	---CONF---				23
4 Party	---CONF---				24
FX-Out (Switched)	---CONF---				25
Other	---CONF---				26
Total Residential Lines	2,002	0	0	0	27
Total Bus & Res Lines	2,245	0	0	0	28
Company Used Lines	36				29
Total Lines Used	2,281	0	0	0	30

SERVICE DATA - END OF YEAR (cont.)

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	Exchange (b)	Exchange (c)	Exchange (d)	Exchange (e)	
PSCW Exchange ID	0010				1
Miscellaneous					2
WATS Lines - OutWATS	---CONF---				3
WATS Lines - 800 Service	---CONF---				4
FX-In-intraLATA	---CONF---				5
Special Access-intraLATA					6
(equiv. access lines)	---CONF---				7
Special Access-interLATA					8
(equiv. access lines)	---CONF---				9
Feature Group A Lines	---CONF---				10
Feature Group B Trunks	---CONF---				11
Feature Group C Trunks	---CONF---				12
Feature Group D Trunks	---CONF---				13
TSPS - Trunks	---CONF---				14
EAS - Trunks	312				15
Cellular Trunks (Pub. Sw. Net.)	---CONF---				16
Video Distance Learning					17
- discounted (special tariff)					18
Customers					19
Business - 2 Party Customers					20
Business - 4 Party Customers					21
Residential - 2 Party Customers					22
Residential - 4 Party Customers					23
Other					24
Exchange C.O., Info. Orig./Term., & Cable					25
Wire Fac. Assets (based on physical					26
location of plant)	6,151,898				27
Exchange Square Miles	88				28
Exchange Route Miles	525				29
Footnotes					30

MANUFACTURER ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

Manufacturer Name (a)	Abbreviation (b)	
Alcatel	AL	1
ATTC	ATT	2
GTE	GTE	3
ITT	ITT	4
Lucent	ATT/LUC	5
Nippon Electric	NEC	6
Northern Telecom	NTI	7
Siemens	SI	8
Stromberg-Carlson	SC	9
VIDAR	VI	10

EQUIPMENT ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

Equipment Type (a)	Abbreviation (b)	
Electromechanical	EM	1
Electronic--Analog	A	2
Electronic--Digital	D	3
Electronic--Video	V	4

MANUFACTURER ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

Manufacturer Name (a)	Abbreviation (b)	
Alcatel	AL	1
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Siemens	SI	8
Stromberg-Carlson	SC	9
VIDAR	VI	10

EQUIPMENT ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

Equipment Type (a)	Abbreviation (b)	
Electromechanical	EM	1
Electronic--Analog	A	2
Electronic--Digital	D	3
Electronic--Video	V	4

CENTRAL OFFICE DATA - END OF YEAR

When an exchange has more than one central office, data must be reported for each central office.

Description (a)	Central Off. (b)	Central Off. (c)	Central Off. (d)	Central Off. (e)	
Exchange Name	ABRAMS				1
PSCW Exchange ID	0010				2
Central Office Name	ABRAMS				3
PSCW Central Office ID	1				4
Manufacturer of COE (Page 54)	NTI				5
Year COE Installed	1984				6
Type of Equipment (Page 54)	D				7
(S)tandalone, (H)ost, (R)emote	H				8
Remote Host PSCW Exchange ID					9
Remote Host PSCW Central Office ID	0				10
COE Generic Software Release No.	412.20				11
SS7?	Yes				12
9-1-1?	Yes				13
Access Lines - In Use	2,281				14
- Equipped	5,104				15
- Wired	5,104				16
Trunks - In Use	559				17
- Equipped	864				18
- Wired	1,056				19
ISDN Available?	No				20
ISDN Lines - In Use (BRI)	---CONF---				21
- In Use (PRI)	---CONF---				22
Switched 56 Service?	No				23
Switched 56 lines in use	---CONF---				24
Digital Transmission Facilities: DS-1 - In Use	---CONF---				25
DS-3 - In Use	---CONF---				26
Advanced Data Service Available:					
Packet Switching?	No				27
SMDS?	No				28
Frame Relay?	No				29
ATM (Asynchronous Trans. Mode)?	No				30
Video Information - Service Available?	No				31
- In Use (# lines) ¹	---CONF---				32
Fiber Transmission Facilities:					
No. of fiber strands entering C.O.	68				33
No. of fiber strands working (LIT) in C.O.	---CONF---				34
No. of fiber strands for interoffice use	62				35
Miles of fiber sheath in wire center	21				36
Access Tandem Serving this C.O.:					
- C.O. Name	GREEN BAY				37
- PSCW C.O. ID	2160-01				38
Does this C.O. do access tandem switching?	No				39
Equal Access: InterLATA (1+)?	Yes				40
Equal Access: IntraLATA (1+)?	Yes				41
Footnotes					42

¹ Teleco provided end-to-end facility.

GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES**General Footnote**

Schedule Footnotes

Schedule Line Footnotes

- A)** PAGE 41 - CENTRAL OFFICE TRANSMISSION EXPENSES - INCREASE DUE TO PROBLEMS WITH AFC UNITS WHICH REQUIRED OUTSIDE ASSISTANCE TO REMEDY.
- B)** PAGE 41 - CABLE AND WIRE FACILITY EXPENSE - INCREASE DUE TO CABLE LOCATES AND ADDITIONAL TIME SPENT REPAIRING CUT CABLES WHEN SEWER LINES WERE INSTALLED.
- C)** PAGE 41 - NETWORK OPERATIONS EXPENSE - DECREASE DUE TO BETTER ALLOCATION OF TIME REPORTING.
- D)** PAGE 41 - EXECUTIVE AND PLANNING EXPENSE - DECREASE DUE TO LESS ADMINISTRATIVE EXPENSES WHERE INCURRED IN 2000.
- E)** PAGE 49 - SPECIAL ACCESS CIRCUITS - TELEPHONE COMPANY DOES NOT HAVE 64 KBPS AND 45 MBPS CIRCUITS IN SERVICE AT THE END OF 2000.
- F)** PAGE 46 - DISTRIBUTION OF SALARIES AND WAGES IS OK PER PHONE CONVERSATION WITH ELAINE ENGELKE ON MARCH 15, 2001.

GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES

G) Board of Directors
Bayland Telephone
Abrams, WI 54101-0200

The Balance Sheets of Bayland Telephone, Inc. as of December 31, 2000 and 1999 and the related statements of income for the years then ended included in the accompanying prescribed forms have been compiled by us. We have also compiled the financial and non-financial data included on pages 13 through 56 of the prescribed forms.

Our compilations were limited to presenting in the form prescribed by the Public Service Commission of Wisconsin information that is the representation of management. We have not audited or reviewed the financial statements or accompanying data referred to above and, accordingly, do not express an opinion or any other form of assurance on them.

These financial statements are presented in accordance with the requirements of the Public Service Commission of Wisconsin and do not include the statement of changes in retained earnings and all of the disclosures required by generally accepted accounting principles. Accordingly, these financial statements are not designed for those who are not informed about such matters.

SIEPERT & CO. LLP
Certified Public Accountants

Beloit, Wisconsin

March 21, 2001